

**FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)**  
**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 APRIL 2010**  
**THE FIGURES HAVE NOT BEEN AUDITED**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		CURRENT YEAR QUARTER 30/04/2010	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2009	CURRENT YEAR TO DATE 30/04/2010	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2009
		RM	RM	RM	RM
REVENUE	A9	1,933,525	3,459,195	10,417,920	14,768,010
COST OF SALES		<u>(1,418,599)</u>	<u>(2,732,512)</u>	<u>(8,483,387)</u>	<u>(12,049,019)</u>
GROSS PROFIT		514,926	726,683	1,934,533	2,718,991
OTHER INCOME		397,050	48,982	564,025	114,441
OPERATING EXPENSES		<u>(835,142)</u>	<u>(2,613,105)</u>	<u>(2,404,677)</u>	<u>(4,710,836)</u>
PROFIT/(LOSS) FROM OPERATIONS		76,834	(1,837,440)	93,881	(1,877,404)
INTEREST INCOME		6,275	10,347	21,803	34,176
INTEREST EXPENSES		(18,377)	(79,434)	(206,839)	(259,024)
GAIN TO GROUP ON DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANY		-	-	135,663	11,882
GAIN/(LOSS) TO GROUP ON STRIKE OFF OF SUBSIDIARIES		-	11,882	(109,378)	-
SHARE OF RESULTS OF ASSOCIATED COMPANIES		<u>(15,726)</u>	<u>(9,558)</u>	<u>(156,015)</u>	<u>(119,450)</u>
PROFIT/(LOSS) BEFORE TAXATION		49,006	(1,904,203)	(220,885)	(2,209,820)
TAXATION	B5	(7,884)	(13,211)	(48,684)	(15,834)
PROFIT/(LOSS) FOR THE PERIOD		<u>41,122</u>	<u>(1,917,414)</u>	<u>(269,569)</u>	<u>(2,225,654)</u>
MINORITY INTEREST		-	(8,129)	-	(28,726)
PROFIT/(LOSS) ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF PARENT		<u>41,122</u>	<u>(1,925,543)</u>	<u>(269,569)</u>	<u>(2,254,380)</u>
Earnings/(Loss) Per Ordinary Share					
- Basic (sen)	B13	0.03	(1.85)	(0.22)	(2.17)
- Diluted (sen)		#	(1.85)	(0.22)	(2.17)
Proposed/declared dividend per share (sen)		-	-	-	-

# The fully diluted earnings per ordinary share for the Group for the current quarter is not presented as the warrants would be anti-dilutive.

**NOTE:**

*The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2009 and the accompanying explanatory notes to this Interim Financial Statements.*

**FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**AND QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 APRIL 2010**  
**THE FIGURES HAVE NOT BEEN AUDITED**

	AS AT END OF CURRENT QUARTER 30/04/2010 Unaudited RM	AS AT PRECEDING FINANCIAL YEAR ENDED 31/07/2009 Audited RM
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	7,486,520	5,312,486
Products development expenditure	1,555,074	1,763,606
Investment in associated companies	50,873	226,892
Other investment	-	13,000
Goodwill on consolidation	2,261,580	2,261,580
Deferred tax assets	-	1,684
	<u>11,354,047</u>	<u>9,579,248</u>
<b>Current Assets</b>		
Inventories	2,147,315	3,980,507
Trade receivables	9,072,487	10,258,037
Other receivables, deposits and prepayments	767,731	324,814
Amount due from associated companies	276,416	606,937
Tax recoverable	403,937	325,141
Deposits with licenced banks	485,449	1,409,600
Cash and at bank balances	370,082	630,199
	<u>13,523,417</u>	<u>17,535,235</u>
<b>TOTAL ASSETS</b>	<u>24,877,464</u>	<u>27,114,483</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	13,504,693	10,394,693
Share premium	2,091,289	1,769,372
Warrant reserve	574,972	574,972
Foreign currency translation reserve	-	16,659
Retained profits	39,091	308,660
Equity attributable to equity holders of the Company	<u>16,210,045</u>	<u>13,064,356</u>
Minority interest	-	46,467
<b>Total Equity</b>	<u>16,210,045</u>	<u>13,110,823</u>
<b>Liabilities</b>		
<b>Non-Current Liabilities</b>		
Borrowings	<u>2,998,163</u>	<u>3,162,453</u>
	<u>2,998,163</u>	<u>3,162,453</u>
<b>Current Liabilities</b>		
Trade payables	1,091,165	4,128,061
Other payables and accruals	1,631,341	975,789
Amount due to associated companies	63,779	120,876
Amount due to directors	3,404	894,838
Borrowings	2,879,567	4,721,643
	<u>5,669,256</u>	<u>10,841,207</u>
<b>Total Liabilities</b>	<u>8,667,419</u>	<u>14,003,660</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>24,877,464</u>	<u>27,114,483</u>
Number of ordinary shares at RM0.10 sen par each	135,046,925	103,946,925
Net assets per share attributable to ordinary equity holders of the parent (sen)	12.00	12.57

**NOTES:**

1. The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2009 and the accompanying explanatory notes to this Interim Financial Statements.

2. Net assets per share is derived based on Focus Dynamics Technologies Berhad's consolidated net assets of RM16,210,045 (FYE 31/7/09-RM13,064,356) including products development expenditure over the issued number of ordinary shares of 135,046,925 (FYE 31/7/09 - 103,946,925) of RM0.10 each.

**FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 APRIL 2010**  
**THE FIGURES HAVE NOT BEEN AUDITED**

	<-----Non-distributable----->			Distributable		Total RM
	Share Capital RM	Share Premium RM	Warrant Reserve RM	Foreign Currency Translation Reserve RM	Retained Profits RM	
Balance at 1 August 2008	10,394,693	1,769,372	574,972	2,350	2,740,540	15,481,927
Exchange difference	-	-	-	14,309	-	14,309
Net loss for the year	-	-	-	-	(2,431,880)	(2,431,880)
Balance at 31 July 2009	<u>10,394,693</u>	<u>1,769,372</u>	<u>574,972</u>	<u>16,659</u>	<u>308,660</u>	<u>13,064,356</u>
Balance at 1 August 2009	10,394,693	1,769,372	574,972	16,659	308,660	13,064,356
Issue of shares	3,110,000	402,500	-	-	-	3,512,500
Share issue expenses	-	(80,583)	-	-	-	(80,583)
Loss for the quarters	-	-	-	-	(269,569)	(269,569)
Exchange difference	-	-	-	(16,659)	-	(16,659)
Balance at 30 April 2010	<u>13,504,693</u>	<u>2,091,289</u>	<u>574,972</u>	<u>-</u>	<u>39,091</u>	<u>16,210,045</u>

**NOTE:**

*The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2009 and the accompanying explanatory notes to this Interim Financial Statements.*

**FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 APRIL 2010**  
**THE FIGURES HAVE NOT BEEN AUDITED**

	CUMULATIVE QUARTERS	
	CURRENT YEAR TO DATE 30/04/2010 RM	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2009 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	8,183,919	11,577,283
Cash payments to suppliers and employees	(8,515,138)	(13,288,319)
Cash used in operations	<u>(331,219)</u>	<u>(1,711,036)</u>
Interest received	21,803	34,176
Interest paid	(196,237)	(240,658)
Income taxes refund	5,000	-
Income taxes paid	(130,796)	(155,019)
Net cash used in operating activities	<u>(631,449)</u>	<u>(2,072,537)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(2,471,103)	(16,470)
Purchase of investment in associated companies	-	(248,960)
Proceeds from disposal of an associated company	20,000	-
Proceeds from disposal of property, plant and equipment	159,000	-
Proceeds from disposal of other investment	400,000	-
Disposal of subsidiaries, net of cash	(74,994)	-
Acquisition of subsidiary, net of cash	-	66,423
Net cash used in investing activities	<u>(1,967,097)</u>	<u>(199,007)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of share issues expenses	(80,583)	-
Decrease/(Increase) in placement of fixed deposits pledged	924,151	(33,212)
(Repayments to)/Proceeds from bankers acceptance	(2,206,000)	326,000
Hire purchase financing obtained	-	53,000
Payment of hire purchase interest	(13,602)	(19,403)
Repayments of hire purchase liabilities	(269,180)	(145,234)
Repayments to bills payables	(1,404,631)	(24,447)
Repayments to term loan	(56,164)	-
Proceeds from term loan financing	1,850,924	882,151
Proceeds from the issue of shares	3,512,500	-
Net cash generated from financing activities	<u>2,257,415</u>	<u>1,038,855</u>
Net decrease in cash and cash equivalent	(341,131)	(1,232,689)
Cash and cash equivalent at beginning of year	584,060	1,665,307
Cash and cash equivalent at end of year	<u>242,929</u>	<u>432,618</u>
Cash and cash equivalent comprise:		
Cash and at bank balances	370,082	569,854
Bank overdraft	(127,153)	(141,236)
	<u>242,929</u>	<u>428,618</u>

**NOTES:**

*The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2009 and the accompanying explanatory notes to this Interim Financial Statements.*